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A Limited Liability Partnership
2 Including Professional Corporations
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7 Attorneys for ARRIVA PHARMACEUTICALS, INC.

8
9 UNITED STATES BANKRUPTCY COURT
10 NORTHERN DISTRICT OF CALIFORNIA
11 OAKLAND DIVISION
12

13 In re

14 ARRIVA PHARMACEUTICALS,
INC., a California corporation,

15 Debtor.
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17 Tax ID: 94-3287067
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Case No. 07-42767

Chapter 11

**NOTICE OF REDUCTION OF
AMOUNTS SOUGHT FOR APPROVAL
IN SECOND INTERIM AND FINAL FEE
APPLICATION OF SHEPPARD,
MULLIN, RICHTER & HAMPTON LLP
FOR ALLOWANCE OF
COMPENSATION AND
REIMBURSEMENT OF EXPENSES
INCURRED AS BANKRUPTCY
REORGANIZATION COUNSEL FOR
THE DEBTOR**

Date: May 8, 2008

Time: 2:30 p.m.

Place: United States Bankruptcy Court
1300 Clay Street, Oakland, CA

Judge: Hon. Edward D. Jellen

Courtroom: 215

1 **TO THE CLERK OF THE ABOVE-CAPTIONED COURT, THE**
2 **DEBTOR, THE OFFICIAL COMMITTEE OF CREDITORS HOLDING**
3 **UNSECURED CLAIMS, THE UNITED STATES TRUSTEE, AND ALL OTHER**
4 **PARTIES IN INTEREST:**

5 **PLEASE TAKE NOTICE THAT** on March 31, 2008, Sheppard, Mullin,
6 Richter & Hampton LLP ("Sheppard"), in its capacity as bankruptcy reorganization
7 counsel for the Arriva Pharmaceuticals, Inc., the debtor in the above-captioned case (the
8 "Debtor"), filed its *Second Interim and Final Fee Application of Sheppard, Mullin, Richter*
9 *& Hampton LLP for Allowance of Compensation and Reimbursement of Expenses*
10 *Incurred as Bankruptcy Reorganization Counsel for the Debtor* (the "Final Fee
11 Application"). In the Final Fee Application, Sheppard sought approval for \$479,985.57
12 (the "Second Interim Amount") in compensation for professional legal services rendered to
13 the Debtor and reimbursement of expenses incurred as bankruptcy reorganization counsel
14 for the Debtor. This amount included professional fees from the Second Application
15 Period (as defined in the Final Fee Application) in the amount of \$402,751.50, expenses
16 from the Second Application Period in the amount of \$27,355.92, and the balance of
17 \$49,878.15 in professional fees and expenses that this Court did not approve in its order on
18 the First Application (as defined in the Final Fee Application), entered on January 28, 2008
19 (the "First Fee Order"). Sheppard also requested that the Court grant final approval of the
20 \$470,466.75 in professional fees and expenses approved by this Court in the First Fee
21 Order. Thus, in the Final Fee Application, Sheppard sought final approval of a total
22 \$950,452.32.

23 **PLEASE TAKE FURTHER NOTICE THAT** Sheppard, in its discretion,
24 hereby voluntarily reduces the Second Interim Amount sought for approval in its Final Fee
25 Application by \$32,068.76 in professional fees, such that the Second Interim Amount is
26 now \$447,916.81, consisting of \$370,682.74 in professional fees, \$27,355.92 in expenses,
27 and the balance of \$49,878.15 in professional fees not approved by the Court in the First
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1 Fee Order, and the total amount sought for approval in Sheppard's Final Fee Application is
2 now \$918,383.56.

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4 Dated: May 6, 2008

5 Respectfully submitted,

6 SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

7
8 By /s/ Michael H. Ahrens
9 MICHAEL H. AHRENS
10 Attorneys for the Debtor Arriva Pharmaceuticals, Inc.
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